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179887

May 31, 2006

John M.S. Hoefer, Esquire  
Willoughby & Hoefer, P.A.  
Post Office Box 8416  
Columbia, SC 29202-8416

RE: Application of Utilities Services of South Carolina, Incorporated for Approval of the Transfer of Its Water Utility System and Territory Serving the Pleasant Hills Subdivision in Lancaster County to the Lancaster County Water and Sewer District  
**Docket No. 2006-112-W**

Dear Mr. Hoefer:

Please find enclosed and served on you the Office of Regulatory Staff's First Continuing Data Requests in the above referenced matter. Please let me know if you have any questions.

Sincerely,

*C. Litter for Wendy B. Cartledge*

Wendy B. Cartledge

WBC/pjm

Enclosure

cc: Mr. Charles L.A. Terreni

SO 111-1-1 111-12-119  
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**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**DOCKET NO. 2006- 112 -W**

IN RE: Application of Utilities Services )  
of South Carolina, Incorporated for )  
Approval of the Transfer of Its Water )  
Utility System and Territory Serving )  
the Pleasant Hills Subdivision in Lancaster )  
County to the Lancaster County Water and )  
Sewer District. )  
\_\_\_\_\_ )

Office of Regulatory Staff's  
First Continuing Data Request

**TO: JOHN M. S. HOFER, ESQUIRE, ATTORNEY FOR THE APPLICANT,  
UTILITIES SERVICES OF SOUTH CAROLINA, INCORPORATED ("USSC"  
or "the company").**

**INSTRUCTIONS**

The Office of Regulatory Staff hereby requests, pursuant to 26 S.C. Code Regs. 103-853, that the Applicant answer the following data requests in writing and under oath and serve the undersigned with the answer within ten (10) days after service of this Data Request at the Office of Regulatory Staff, 1441 Main Street, Suite 300, Columbia, South Carolina, 29201. If you are unable to respond to any of the data requests, or part or parts thereof, please specify the reason for your inability to respond and state what other knowledge or information you have concerning the unanswered portion.

As used in these data requests, "identify" means, when asked to identify a person, to provide the full name, title, and current address and telephone number of the person. When asked to identify or provide a document, "identify" and "provide" means to provide a full and detailed description of the document and the name and address of the person who has custody of the document. In lieu of providing a full and detailed description of a document, you may

attach to your responses a copy of the document and identify the person who has custody of it. When the word "document" is used herein, it means any written, printed, typed, graphic, photographic, or electronic matter of any kind or nature and includes, but is not limited to, statements, contracts, agreements, reports, opinions, graphs, books, records, letters, correspondence, notes, notebooks, minutes, diaries, memoranda, transcripts, photographs, pictures, photomicrographs, prints, negatives, motion pictures, sketches, drawings, publications, and tape recordings. As used in this data request, "address" means mailing address and business address.

Wherever in this data request a masculine pronoun or possessive adjective appears, it refers to both males and females in accordance with traditional English usage.

IT IS HEREIN REQUESTED:

- A. That all information shall be provided to the undersigned in the format as requested.
- B. That all responses to the requests below be labeled using the same numbers as used herein.
- C. That each of the enumerated data requests be reproduced at the beginning of each of the responses.
- D. That if the requested information is found in other places or in other exhibits, reference not be made to those, but instead, that the information be reproduced and placed in the data request in the appropriate sequence.
- E. That any inquiries or communications relating to questions concerning clarifications of the data requested below be directed to the undersigned.
- F. That all exhibits be reduced to 8 ½" x 11" format, where practical.
- G. That the requested information be bound in ring binders (loose leaf notebooks) or otherwise suitably bound.
- H. That in addition to the signature and verification at the close of the Company's responses, the Company witness(es) or employee(s) responsible for the information contained in each response be indicated.

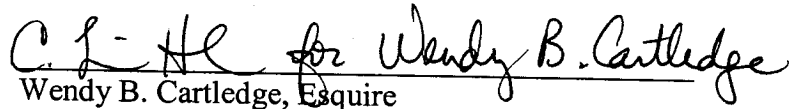
- I. That the Company provide to the Office of Regulatory Staff two copies of the responses to this data request, in addition to providing responses in an electronic format, as soon as possible but no later than ten (10) days after service thereof.
- J. If the response to any data request is that the information requested is not currently available, please state when the information requested will be available.
- K. This data request shall be deemed to be continuing so as to require the Company to supplement or amend its responses as any additional information becomes available.

### QUESTIONS

- 1.1 Please provide copies of all documentation related to this docket's pending transfer ("the transfer") of the Pleasant Hills Subdivision water utility system and territory ("the system") to the Lancaster County Water and Sewer District ("LCWSD"). Documentation should include, but not be limited to, the following:
  - a. Surveys of the system,
  - b. Appraisals of the system,
  - c. Correspondence between USSC and LCSWD relative to the transfer,
  - d. Schedule of assets to be transferred and the purchase price amount assigned to each asset being transferred, and
  - e. Invoices documenting the historical costs of each of the assets to be transferred.
- 1.2 Please provide the calculations of the accumulated depreciation of each of the assets to be transferred as of the projected date of the transfer.
- 1.3 Please provide detailed calculations of the balance of any accumulated deferred income tax assets or liabilities associated with the assets to be transferred as of the projected date of the transfer.
- 1.4 Please provide detailed calculations of the balance of any unamortized investment tax credits associated with the assets to be transferred as of the projected date of the transfer.
- 1.5 Please provide, for the years ended December 31, 2003, December 31, 2004 and December 31, 2005, detailed information as to revenues and expenses recorded relative to the operation of the Pleasant Hills Subdivision water utility system and service territory.

- 1.6 Please provide proposed adjusting journal entries which will be recorded to the books and records of Utilities Services of South Carolina, Inc. and Water Services Corporation as a result of the transfer contemplated in this docket

May 31, 2006

  
Wendy B. Cartledge, Esquire

**Office of Regulatory Staff**

1441 Main Street, Suite 300

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Columbia, South Carolina 29211

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